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NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

THIS LEASE AGREEMENT is made this

PAID UP OIL AND GAS LEASE (No Surface Use)

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ADDITION, AN ADDITION, IN ADDIT	
substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used trerain includes helium, carbicommercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any smill and now or hereafter owned by Lessor which are configuous or adjacent to the above-described leased premises, and, in consideration of the alorem Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so cover of determining the amount of any shul-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more extended the producing of the substances covered hereby are produced in paying quantities from the leased premises or from lands pooled the otherwise maintained in effect pursuant to the provisions hereof. 3. Royalties on uit, as and other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled the otherwise maintained in effect pursuant to the provisions hereof. 3. Royalties on uit, as and other substances produced and, asved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and othe separated at Lessee's separator facilities, the royalty shall be	K 2 TO THE CITY OF PLAT RECORDED Y, TEXAS.
on the leased premises or lands pooled (berewith within 90 days after compitution of operations on such dry hole or within 90 days after such cessation of the primary term, or at any firme thereafter, this lease is not otherwise being maintained in force but Cassee is then engaged in driffing, reoperations reasonably calculated to obtain or restore production therefrom, this lease shall remain in force so long as any one or more of such operations result in the production of old or gas or other substances covered hereby, there is production in paying quantilities from the leased premises or lands pooled therewith. After completion of a well capable of producing in paying plantilities from the leased premises or lands pooled therewith as a reasonably prudent operator would drill under the same or to (a) develop the leased premises as to formations then capable of producing in paying quantilities on the leased premises or lands pooled therewith. There shall be no covenant to drill exacely the leased premises from uncompensated trainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exacely the leased premises from uncompensated trainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exacely the leased premises from uncompensated trainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exacely the leased premises or interest the leased premises or sones, and as to any or all substances covered by this lease, either before or after the commoncement of production, wherever Leasee deproper to do so in order to productify any or any lease of the production of the production to any the paying production of the production to any the paying production of the production to any the paying production to any the production of the production to any the paying production to any the production of	nay hereafter acquire be an and non hydrocarbo and other mall afrips or parcels of mentioned cash bonus wered. For the purpose re or less. The date hereof, and for herewith or this lease is the fliquid hydrocarbon and the such production at which there is such production at which there is such production and valorem taxes and batances, provided the same field (or if there is ontracts entered into only time thereafter one of the such wells shall nevertheles are shut-in or production the 90-day period need to the successors, which shall not operate the successors, which shall not operate to receive payments. To receive payments for production of all production. If a contract is a long thereafter a groundlies hereunder in force it shall or restoring production of all production. If a consider the successory of the purpose or similar circumstance in the same prosecuted will y, as long thereafter a groundlies hereunder in the desire of the purpose or, if no definition is a considered the successory of the purpose or, if no definition is soil ratio of 100,000 cubits or equivalent testin of required testin of the purpose or, if no definition is soil ratio of floo,000 cubits or equivalent testin of required testin of required testin of the purpose or, if no definition is soil ratio of density patter ermental authority. It is production to revise an acting or density patter ermental authority. It is production of the regurder shall thereafter shall the s

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalites and shut-in royalities payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lesson's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

such part of the leased premises.

B. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective hoirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties because. Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If all any time two or more contained to shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If all any time two or more contained to shut-in royalties to the credit of decedent and the contained to prevent or the depository designated above. If all any time two or more contained in the contained in the depository either royalties to the credit of the contained in the contained persons are entitled to shut-in royalities foreigned. Lessee may pay or tender such shut-in royalities foreigned actions, the depository designed actions and the depository designed actions. If Lessee the foreigned in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferred interest shall not affect the rights of

Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shul-in royalties hereunder shall be divided between Lessee and the transferse in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shull in royalties shall be proportionately reduced.

If Lessee releases all or an undivided Interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shul in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary end/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of his lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feel from any house or barn how on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, applicable laws, rules, regulations and orders of any governmental authority.

equipment and malarials, including well casing, from the leased premises or such other lands during the lern of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling, and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, noworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse wealther conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof.

Lessee shall not he liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

12. In the event that Lessor, during the primary term of this lease, receives a bona fide ofter which Lessor is willing to accept from any party offering to purchase from Lessee and covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offero, the price offered and other pertinent terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect t

14. For the same consideration recited above, Lesson hereby grants, assigns and conveys unto Lesson, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to devolop the leased premises or lands pooled therewith and from which Lesson shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lesson hereby warrants and agrees to defend lifto conveyed to Lessee hereunder, and agrees that Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lesson hereunder. In the event Lessee is made aware of any claim inconsistent with Lesson's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished salisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.

operations

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lesse payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's helrs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)

Entalia D. Martines Miguel A Martinez ACKNOWLEDGMENT STATE OF TEXAS
COUNTY OF TAMBUET This Instrument was acknowledged before me on the J-124/16 and of Texas jar Poliski. Ist Opmonis Metary Public, State of CADITOS ...C. Notary's name (printed): Notary's commission expires: 06(53): 67-2010 - 51-55-57

STATE OF COUNTY OF

Tartoni

ANTO CONTROL OF A STATE OF A STAT

Notary Public, State of Notary's name (printed): Notary's commission expires:



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

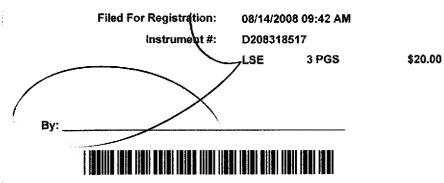
DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

DO NOT DESTROY WARNING - THIS IS PART OF THE OFFICIAL RECORD.



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ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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